

Message Text

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15

ACTION NEA-13

INFO OCT-01 ISO-00 AGR-20 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12

SPC-03 CIEP-02 LAB-06 SIL-01 OMB-01 NSC-10 SS-20

STR-08 CEA-02 PA-04 PRS-01 USIA-15 DRC-01 /171 W

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O R 261415Z JAN 74

FM AMEMBASSY NEW DELHI

TO AMEMBASSY LONDON NIACT IMMEDIATE

INFO SECSTATE WASHDC 9292

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LONDON FOR LAMBRAKIS PASS AMBASSADOR MOYNIHAN

THE FOLLOWING TELEGRAM SENT ACTION NEW DELHI INFO
BOMBAY MADRAS FOR CALCUTTA ON JAN 25, 1974 IS
REPEATED FOR YOUR INFO

QUOTE

R 251020Z JAN 74

FM AMCONSUL CALCUTA

TO RUSBAE/AMEMBASSY NEW DELHI 8898

INFO RUSBAY/AMCONSUL BOMBAY 1961

RUSBAS/AMCONSUL MADRAS 1885

C O N F I D E N T I A L

LIMITED OFFICIAL USE CALCUTTA 0166

E.O. 11652: N/A

TAGS: PINT, EAGR, IN

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SUBJ: GOWB CHIEF SECRETARY ON PROCUREMENT

REF: CALCUTTA 0150

SUMMARY: WEST BENGAL'S NEW CHIEF SECRETARY B R GUPTA UNEXPECTEDLY MADE A SERIOUS HOUR LONG PRESENTATION TO THE CONSULAR CORPS LUNCHEON JAN 24 ON THE DILEMMAS FACING THE STATE GOVT. IN ITS PROCUREMENT EFFORTS. WE WERE STRUCK BY HIS PUBLIC LACK OF OPTIMISM NOT ONLY OF THE IMMEDIATE PROCUREMENT EFFORTS BUT OF THE ABILITY OF THE STATE TO MAINTAIN THE MINIMAL RATION SYSTEM OVER THE NEXT SEVERAL MONTHS. HE EVEN MENTIONED AT THIS EARLY DATE THE POSSIBILITY OF INDIA HAVING TO IMPORT GRAINS. END SUMMARY.

2. GUPTA GAVE FOUR MAJOR REASONS FOR LACK OF PROGRESS OF PROCUREMENT DRIVE IN STATE. FIRST, PRICE DIFFERENTIAL BETWEEN MARKET AND GOVT. RATE. SECOND, EVEN IF SOME FARMERS WERE WILLING TO SELL TO GOVT. THEY ASKED FOR SERVICES OR SUPPLIES NOT FOR MONEY. THAT IS, THEY WANT GUARANTEE OF FERTILIZERS, SEEDS OR CREDITS, ETC. AND THESE THE GOVT. CANNOT GUARANTEE. THIRD, THERE IS A SERIOUS "PSYCHOLOGY OF SHORTAGE" AFOOT IN THE STATE (AND THE NATION). GUPTA SAID THE COMMON MAN IS FAST LOSING FAITH IN THE GOVT'S ABILITY TO ADMINISTER THE DISTRIBUTION OF FOODGRAINS. HE POINTED OUT THAT THIS FEAR WAS WELL-FOUNDED, NOT SIMPLY BASED ON RUMOR OR FEAR PSYCHOSIS. IN WEST BENGAL, FOR EXAMPLE, "FOR THE FIRST TIME, WE HAVE BEEN UNABLE TO KEEP ADEQUATE SUPPLIES OF WHEAT IN THE RURAL DISTRICTS." THIS MEANS THAT EVEN THOSE WHO HAVE RICE/PADDY TO SELL ARE HOARDING BECAUSE THEY THINK THERE WILL BE A SERIOUS GRAIN CRISIS DURING THE MONSOON PERIOD WHEN PRICES GENERALLY GO UP AND AVAILABILITY DOWN. HE MADE THE POINT THAT THIS IS NOT MERELY SPECULATION ON THE PART OF BIG FARMERS AND MIDDLE-MEN, BUT THE LITTLE FARMERS TOO ARE HOARDING IN ORDER TO ENSURE THEIR OWN SURVIVAL DURING THE COMING LEAN MONTHS. FOURTH, HE SAID THAT THERE HAS NOT REALLY BEEN A BUMPER CROP IN WEST BENGAL AS THEY HAD EXPECTED. DURING DECEMBER THERE WERE TWO CYCLONIC STORMS BOTH OF WHICH DAMAGED RICE PLANTS AT CRUCIAL STAGES IN THE SURPLUS DISTRICTS OF THE STATE. THUS THERE HAS NOT BEEN MORE THAN A LIMITED OFFICIAL USE

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TEN PERCENT INCREASE OVER LAST YEAR'S PRODUCTION.

3. COMMENT: THE CLEAR THRUST OF GUPTA'S SPEECH WAS NOT THAT THE PEOPLE WERE IRRATIONALLY (OR EVEN SELFISHLY) UNCOOPERATIVE BUT THAT THE GOVT., VIEWED AS INCOMPETENT, DOES NOT ENJOY THE CONFIDENCE OF THE PEOPLE--IN THE SENSE THAT PEOPLE DOUBT GOVT'S ABILITY TO COPE WITH THE EXPECTED SHORTAGE DURING THE RAINY SEASON.

ROSSELOT

UNQUOTE
SCHNEIDER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, IMPORTS, FOOD SHORTAGE, SUPPLIES, AGRICULTURAL PRODUCTION, GRAINS, CENTRAL GOVERNMENT
Control Number: n/a
Copy: SINGLE
Draft Date: 26 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974NEWDE01319
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: NEW DELHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740113/aaaaambx.tel
Line Count: 119
Locator: TEXT ON-LINE
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: CALCUTTA 0150
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 24 JUL 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24-Jul-2001 by maustmc>; APPROVED <29 MAY 2002 by morefirh>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOWB CHIEF SECRETARY ON PROCUREMENT
TAGS: PINT, EAGR, IN, (GUPTA, B R)
To: LONDON
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005